



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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May 9, 1996

Certified Return Receipt  
P 074 978 983

Gary Applegate  
Indian Queen Marble LLC  
1275 North Main  
Tooele, Utah 84074

Re: Permitting a Large Mining Operation, Indian Queen Marble LLC, Ute and Wino Claims,  
S/001/019, Beaver County, Utah

Dear Mr. Applegate:

As you know, the Division has performed a number of onsite inspections of the Indian Queen/Ute-Wino marble mining operation over the past several months. During this time period we have been trying to work with you and Mr. Jeff Sagers to resolve our concerns regarding the extent of surface disturbance associated with this small mine site. Mr. Tom Munson of my staff has tried repeatedly to reach Mr. Sagers to coordinate and confirm that the required reclamation work has been performed at the mine. It is our understanding that Mr. Sagers may no longer be associated with this operation. By execution of the recent permit transfer for this operation, you are now the principal party responsible for continued operation and reclamation of the project.

We are quite concerned that the required reclamation of excess surface disturbance has not been performed in a timely manner. Of additional concern is the fact that additional surface disturbance and expansion of the quarry has occurred before the required reclamation of the excess disturbed areas was completed. Accordingly, the Division requires that the following items be performed before any new disturbance occurs at the site.

- 1) Within 15 days of your receipt of this letter, forward a letter to the Division explaining your short and long term intentions for this mining operation. Attach a detailed topographic map (minimum suggested scale, 1 inch = 200 ft.) showing the existing mining-related disturbances (access road(s), quarry areas, processing & product storage areas, etc.). This map must clearly outline a five (5) acre "operational area" that you will confine your mining activities to, for the immediate future.
- 2) A written commitment to reclaim (regrade and recontour) any areas which you do not intend to use for future mining operations within 15 days of your receipt of this letter. A timeframe for



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completing this reclamation must also be provided. Seeding should now be delayed until the late fall of 1996.

- 3) Submit a complete Notice of Intention to Commence Large Mining Operations within 90 days of your receipt of this letter (LMO application enclosed). If immediate reclamation will be performed to reduce all existing disturbances to five (5) or less acres, then this requirement may be temporarily suspended.
- 4) Post an interim reclamation surety with the Division in the amount of \$15,000. This amount is based upon an estimated cost of \$1,500/acre for @10 acres of existing surface disturbance (mining and exploration related disturbances). This interim surety must be received by the Division within 45 days of your receipt of this letter. Please inform us of your preferred form of reclamation surety (e.g., C.D., Letter of Credit, Surety Bond, etc.). We can then provide you with the appropriate surety forms.

If you believe that you cannot comply with the requirements as outlined in this letter, please contact me or Tom Munson as soon as possible. Should you fail to address these concerns in a timely manner, we will be forced to pursue appropriate enforcement action. These actions could result in an order to: temporarily cease all mining activity, commence immediate reclamation of all disturbances, and the levying of other appropriate civil penalties as determined by the Board of Oil, Gas and Mining. Thank you for your prompt cooperation and attention to this matter.

Sincerely,



D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb  
Enclosure: MR-LMO  
cc: Lowell Braxton, DOGM  
Minerals staff (route)  
ute.let